

THE COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

STATE HOUSE • ROOM 373
BOSTON, MA 02133

TEL: (617) 727-2040 FAX: (617) 727-2779 www.mass.gov/eoaf

H04622

June 30, 2005

To the Honorable Senate and House of Representatives:

I am filing for your consideration "An Act to Reform the Massachusetts Rental Voucher Program."

The General Appropriation Bill that I signed today does not contain any of my important H-1 reforms to the Massachusetts Rental Voucher Program. The restructured Massachusetts Rental Voucher Program contained in my bill will offer a temporary safety net to more citizens in need of short-term rental assistance. This reform will force participants to view the voucher as bridge to a permanent housing solution rather than as a long-term entitlement. This change will open the program to new applicants in need of short-term rental assistance who are currently unable to participate because all vouchers currently serve existing recipients of the program who have no incentive to leave the program.

I did not veto item 7004-9024 because such action would cause an interruption in the remittance of scheduled payments. I therefore recommend that item 7004-9024 of section 2 of House Bill 4200 of the General Appropriation Bill for Fiscal Year 2006 be amended to reform the current Massachusetts Rental Voucher Program by increasing accountability and instituting time limits to the eligibility standards.

I urge your prompt and favorable action on this recommendation.

Respectfully submitted,

Mitt Romney Governor



The Commonwealth of Massachusetts

IN THE YEAR TWO THOUSAND FIVE

AN ACT TO REFORM THE MASSACHUSETTS RENTAL VOUCHER PROGRAM

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Item 7004-9024 of section 2 of House Bill 4200 of the General Appropriation Bill for Fiscal Year 2006, is hereby amended by striking after the word "vouchers" the following:-

;provided, that rental assistance shall only be paid under a program to be known as the Massachusetts rental voucher program; provided further, that the income of the households shall not exceed 200 per cent of the federal poverty level; provided further, that the department may award mobile vouchers to eligible households currently occupying project-based units, that shall expire due to the nonrenewal of project-based rental assistance contracts; provided further, that the department, as a condition of continued eligibility for vouchers and voucher payments, may require disclosure of social security numbers by participants and members of participants'

households in the Massachusetts rental voucher program for use in verification of income with other agencies, departments and executive offices; provided further, that any household in which a participant or member of a participant's household shall fail to provide a social security number for use in verifying the household's income and eligibility shall no longer be eligible for a voucher or to receive benefits from the voucher program; provided further, that the vouchers shall be in varying dollar amounts and shall be set by the department based on considerations, including, but not limited to, family size, composition, income level and geographic location; provided further, that notwithstanding any general or special law to the contrary, the monthly dollar amount of each voucher shall be the department-approved total monthly rent of the unit less the monthly amount paid for rent by the household; provided further, that notwithstanding any general or special law to the contrary, the use of rent surveys shall not be required in determining the amounts of the mobile vouchers or the project-based units; provided further, that any household which is proven to have caused intentional damage to its rental unit in an amount exceeding 2 month's rent during any 1-year lease period shall be terminated from the program; provided further, that notwithstanding any general or special law to the contrary, a mobile voucher whose use is or has been discontinued shall be re-assigned within 90 days; provided further, that the department shall pay agencies \$32.50 per voucher per month for the costs of administering the program; provided further, that the costs of administration shall not exceed 6 per cent of the appropriation provided in this item; provided further, that the 6 per cent shall include, but not be limited to, all expenditures which may be made by the department to conduct or otherwise contract

for rental voucher program inspections; provided further, that subsidies shall not be reduced for the cost of accommodating the cost of the inspections; provided further, that notwithstanding any general or special law to the contrary, each household holding a project-based voucher shall pay at least 30 per cent but not more than 40 per cent of its income as rent, and each household holding a mobile voucher shall pay at least 30 per cent but not more than 40 per cent of its income as rent; provided further, that the department shall establish the amounts of the mobile vouchers and the project-based vouchers, so that the appropriation in this item is not exceeded by payments for rental assistance and administration; provided further, that the department shall not enter into commitments which will cause it to exceed the appropriation set forth herein; provided further, that ceiling rents shall not be enforced by the department; provided further, that the households holding mobile vouchers shall have priority for occupancy of the project-based dwelling units in the event of a vacancy; provided further, that the department may impose certain obligations for each participant in the Massachusetts rental voucher program through a 12-month contract which shall be executed by the participant and the department; provided further, that such obligations may include, but need not be limited to, job training, counseling, household budgeting and education, as defined in regulations promulgated by the department and to the extent such programs are available; provided further, that each participant shall be required to undertake and meet any such contractually established obligation as a condition for continued eligibility in the program; provided further, that for continued eligibility each participant shall execute any such 12-month contract on or before September 1, 2005 if the participant's



SECRETARY

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households in the Massachusetts rental voucher program for use in verification of income with other agencies, departments and executive offices; provided further, that any household in which a participant or member of a participant's household shall fail to provide a social security number for use in verifying the household's income and eligibility shall no longer be eligible for a voucher or to receive benefits from the voucher program; provided further, that the vouchers shall be in varying dollar amounts and shall be set by the department based on considerations, including, but not limited to, family size, composition, income level and geographic location; provided further, that notwithstanding any general or special law to the contrary, the monthly dollar amount of each voucher shall be the department-approved total monthly rent of the unit less the monthly amount paid for rent by the household; provided further, that notwithstanding any general or special law to the contrary, the use of rent surveys shall not be required in determining the amounts of the mobile vouchers or the project-based units; provided further, that any household which is proven to have caused intentional damage to its rental unit in an amount exceeding 2 month's rent during any 1-year lease period shall be terminated from the program; provided further, that notwithstanding any general or special law to the contrary, a mobile voucher whose use is or has been discontinued shall be re-assigned within 90 days; provided further, that the department shall pay agencies \$32.50 per voucher per month for the costs of administering the program; provided further, that the costs of administration shall not exceed 6 per cent of the appropriation provided in this item; provided further, that the 6 per cent shall include, but not be limited to, all expenditures which may be made by the department to conduct or otherwise contract

for rental voucher program inspections; provided further, that subsidies shall not be reduced for the cost of accommodating the cost of the inspections; provided further, that notwithstanding any general or special law to the contrary, each household holding a project-based voucher shall pay at least 30 per cent but not more than 40 per cent of its income as rent, and each household holding a mobile voucher shall pay at least 30 per cent but not more than 40 per cent of its income as rent; provided further, that the department shall establish the amounts of the mobile vouchers and the project-based vouchers, so that the appropriation in this item is not exceeded by payments for rental assistance and administration; provided further, that the department shall not enter into commitments which will cause it to exceed the appropriation set forth herein; provided further, that ceiling rents shall not be enforced by the department; provided further, that the households holding mobile vouchers shall have priority for occupancy of the project-based dwelling units in the event of a vacancy; provided further, that the department may impose certain obligations for each participant in the Massachusetts rental voucher program through a 12-month contract which shall be executed by the participant and the department; provided further, that such obligations may include, but need not be limited to, job training, counseling, household budgeting and education, as defined in regulations promulgated by the department and to the extent such programs are available; provided further, that each participant shall be required to undertake and meet any such contractually established obligation as a condition for continued eligibility in the program; provided further, that for continued eligibility each participant shall execute any such 12-month contract on or before September 1, 2005 if the participant's

annual eligibility recertification date occurs between June 30, 2005 and September 1, 2005 and otherwise on or before the annual eligibility recertification date; provided further, that any participant who is over the age of 60 years or who is handicapped may be exempted from any obligations unsuitable under particular circumstances; provided further, that the department shall submit an annual report not later than February 1, 2006 to the secretary of administration and finance and the house and senate committees on ways and means detailing expenditures, the number of outstanding rental vouchers by income level and the number and types of units leased that are funded from this item; provided further, that no funds shall be expended from this item in the AA object class for the compensation of state employees; provided further, that the department may assist housing authorities, at their written request, in the immediate implementation of a homeless prevention program utilizing alternative housing resources available to them for low-income families and the elderly by designating participants in the Massachusetts rental voucher program as at risk of displacement by public action through no fault of their own; provided further, that participating local housing authorities may take all steps necessary to enable them to transfer mobile voucher program participants from the Massachusetts rental voucher program into another housing subsidy program;

and replace it with the following:-

, to be known as the Massachusetts rental voucher program; provided, that the income of the participating households shall not exceed 200 per cent of the federal poverty

level; provided further, that the department of housing and community development may award mobile vouchers to eligible households currently occupying project-based units, that shall expire due to the non-renewal of project-based rental assistance contracts; provided further, that on a case-by-case basis said department shall use all otherwise available funds appropriated herein to increase the rental subsidy at eligible project-based developments, so-called; provided further, that the department, as a condition of continued eligibility for vouchers and voucher payments, may require disclosure of social security numbers by participants and members of participants' households in the Massachusetts rental voucher program for use in verification of income with other agencies, departments, and executive offices; provided further, that any household in which a participant or member of a participant's household shall fail to provide a social security number for use in verifying the household's income and eligibility shall no longer be eligible for a voucher or to receive benefits from the voucher program; provided further, that the vouchers shall be in varying dollar amounts and shall be set by the department based on considerations including but not limited to family size, composition, income level, and geographic location; provided further, that notwithstanding any general or special law to the contrary, rent surveys shall not be required for use in determining the amounts of the mobile or projectbased vouchers; provided further, that any household which is proven to have caused intentional damage to their rental unit in an amount exceeding two months' rent during any one year lease period shall be terminated from the program; provided further, that the department shall pay agencies \$40 per voucher per month for the costs of administering the program; provided further, that notwithstanding any

general or special law to the contrary, there shall be no maximum percentage applicable to the amount of income paid for rent by each household holding a mobile or project-based voucher, but each household shall pay at least 30 per cent of its income as rent; provided further, that the department shall establish the amounts of the mobile vouchers and the project-based vouchers, so that the appropriation in this item is not exceeded by payments for rental assistance and administration; provided further, that the department shall not enter into commitments which will cause it to exceed the appropriation set forth herein; provided further, that ceiling rents shall not be enforced by the department; provided further, that households holding mobile vouchers shall have priority for occupancy of the project-based dwelling units in the event of a vacancy; provided further, that the department shall impose certain obligations for each participant in the Massachusetts rental voucher program through a 12-month contract which shall be executed by the participant and the department; provided further, that such obligations may include but need not be limited to job training, counseling, household budgeting, and education, as defined in regulations promulgated by the department and to the extent such programs are available; provided further, that each participant shall be required to undertake and meet any such contractually established obligation as a condition for continued eligibility in the program; provided further, that for continued eligibility each participant shall execute any such 12-month contract on or before September 1, 2005 if his annual eligibility re-certification date occurs between June 30, 2005 and September 1, 2005 and otherwise on or before his annual eligibility re-certification date; provided further, that the local administering agency shall re-determine each household's income and

voucher value at six month intervals; provided further, that commencing July 1, 2005, local administering agencies shall terminate any household which receives 36 consecutive months of assistance; provided further, that in no case shall any household receive assistance for a life-time total of more than 60 months; provided further that each adult household member, other than a full-time student, shall fulfill a weekly work requirement; provided further, that said member shall meet the work requirement according to the provisions as stated in subsection (d) of section 7 of chapter 118B of the General Laws, as inserted by section 82 of this act; provided further, that said work requirements shall include the following work activities, but not be limited to: 20 hours per week where the youngest household member has attained the age of one year but is less than six years of age, 24 hours per week where the youngest household member has attained the age of 6 but is less than 9 years of age, and 30 hours per week where the youngest household member is at least 9 years of age; provided further, that said work activities may include, but need not be limited to: working in a paid job, working full-time in the full employment program, participating in the supported work program, participating in the community service program, participating in department of housing and community development or department of transitional assistance approved education and training activity, and participating in a housing search if said adult household member is currently receiving emergency shelter; provided further, that any participant who is over the age of 60 years or who is disabled may be exempted from any obligations unsuitable under particular circumstances; provided further, that the department shall submit an annual report not later than February 1, 2006 to the secretary of administration and

finance and the house and senate committees on ways and means detailing expenditures, the number of outstanding rental vouchers by income level and the number and types of leased units that are funded from this item; provided further, that no funds shall be expended from this item for the compensation of state employees;

SECTION 2. This act shall take effect immediately.